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#### **NISSAN'S CSR STRATEGIES**

# **Building Tomorrow's Sustainable Mobility Society**A Message from the Chief Sustainability Officer



John W

Hitoshi Kawaguchi
Senior Vice President, Chief Sustainability Officer
Nissan Motor Co., Ltd.

To become one of the most sustainable companies in the world, we believe it is essential to act with compassion in addition to competence. Nissan has clearly defined long-term goals to guide its contributions to finding solutions to sustainability issues. We will pay heed to the voices of society and will continue to meet socety's expectations while advancing our environmental and safety activities globally.

#### Our Goals: Zero Emissions and Zero Fatalities

Our lives have changed greatly as a result of the wide availability of automobiles. Countless people today enjoy the freedom and convenience that comes with automotive mobility, as well as the pleasure of driving. At the same time, the global rise in economic standards and a continuously growing population are expected to bring the total number of automobiles in use worldwide to some 2.4 billion by 2050, and we are facing pressing issues including increased emissions of greenhouse gases and rising numbers of injuries and fatalities from traffic accidents. It is our mission as an automaker to proactively seek solutions to various vehicle-related issues, providing high value to society.

Nissan is pursuing the ultimate goals of achieving zero emissions, through vehicles without tailpipe emissions, and decreasing fatalities as a result of traffic accidents involving Nissan vehicles to virtually zero. It is my role to ensure that these goals are shared far and wide, both within Nissan and outside the company, as core philosophies informing our sustainability efforts.

In order to realize these "two zeros," how should vehicles use energy, and how should they travel on the road? And how will our cars become more connected and integrated into society going forward? Under the concept of Nissan Intelligent Mobility, we will aim to realize a safe and sustainable mobility society while at the same time providing an even more enjoyable, comfortable experience with vehicles to our customers.

According to International Transport Forum (ITF) (2017), ITF Trans-port Outlook 2017, OECD Publishing, Paris.

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# Supporting a Sustainable Mobility Society with Advanced Safety Technologies

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\*\*) Click here for more information on Nissan's Safety Shield concept.



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Click here for more information on ProPILOT.

™ The Serena is the world's first 8-passenger minivan in the 1.5-2 liter class to be equipped with autonomous controls for steering and maintaining distance between vehicles at speeds up to 60 km/h (as of June 2016, according to Nissan research).

Nissan strives to create automobiles that embody the "pleasure and satisfaction of driving." At the same time, the company places top priority on a high level of real-world safety. In a driving environment where more than 90% of accidents are said to be the result of human error, Nissan is focused on the "zero fatalities" goal. To realize this goal through reducing traffic accidents, we have built on our original Safety Shield concept, In which the vehicle helps to protect people, advancing its safety technologies and making them available on an ever-growing range of models.

In August 2016, Nissan launched the new Serena in Japan, equipping it with ProPILOT, helping to enable autonomous driving in a single highway lane. The world's first minivan to feature such technology, the new Serena proved popular with customers, winning the 2016–17 Japan Car of the Year Innovation Award. The Serena also won the 2017 Automotive Researchers' & Journalists' Conference of Japan (RJC) Car of the Year Award, while ProPILOT won the RJC Technology of the Year Award.

Nissan has a clear roadmap in place for its development of Autonomous Drive technologies. The year 2018 will see the launch of autonomous driving capability on multiple highway lanes, and by 2020 we plan to introduce autonomous driving on local roads.



Serena with ProPILOT.

### Offering Driving Pleasure Through Clean Electric Powertrains

We employ clean, highly efficient electric powertrains to provide unprecedented acceleration and quiet handling, giving our customers a high level of safety alongside an exciting driving experience.

The zero-emission Nissan LEAF, № which emits no CO<sub>2</sub> or other exhaust gases during operation, provides smooth, powerful acceleration, stable handling and an exceptionally quiet ride. Since it first went on the market, the Nissan LEAF has reduced overall CO<sub>2</sub> emissions worldwide by an estimated 529,149 tons. №

The Note e-POWER, meanwhile, features Nissan's new e-POWER powertrain, which combines a gasoline engine with an electric motor. ™ This enables the powerful, highly responsive acceleration and excellent quietness of a motor-powered vehicle along with excellent fuel efficiency and a pleasant driving experience for the customer. This Note model received high praise from customers, taking the top spot in the Japan sales ranking for the compact segment ™ in the second half of fiscal 2016 (October 2016–March 2017).



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- \*1 Click here for more information on Nissan's zero-emission vehicles.
- Total distance traveled in each market (km) + fuel efficiency in each market (km/L) × CO<sub>2</sub> conversion coefficient (L/kg) ÷ 1,000 (kg/ton). Calculated as of the end of February 2017 based on actually collected data, not on all Nissan LEAF models sold.



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- Click here for more information on the e-POWER powertrain.
- The compact segment includes small and ordinary passenger vehicles with engine displacement under 1,600 cc.

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# Expanding Future Possibilities by Connecting Cars to Society

As society becomes ever more connected with information technology, cars will be more tightly integrated with our daily lives. They will be able to provide even more convenience as they are connected to information networks, roads, electric grids and other social infrastructure, allowing the reduction of traffic congestion and more efficient energy management as a result. Through Nissan Intelligent Mobility, the company aims to provide customers with cars that can serve as partners in their lives, integrating the vehicles with society as a whole to help craft a better future.

To swiftly respond to a rapidly changing society, we are working in close cooperation with a number of external stakeholders. For instance, the Renault-Nissan Alliance has entered a relationship with Microsoft Corp. to develop next-generation connected-car technology in order to improve customers' driving experience. To Going forward, we will work together to develop connected and mobility services.

With the aim of harmoniously blending Autonomous Drive vehicles with society in the future, we are also working to develop the Seamless Autonomous Mobility (SAM) system which help cars to safely navigate through unforeseen situations, such as accidents, road construction or other obstacles.





Click here for more information on the partnership with Microsoft.



Click here for more information on SAM.

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#### **BLUE CITIZENSHIP: NISSAN'S CSR**

#### Nissan's CSR Vision

Guided by the corporate vision of Enriching People's Lives, Nissan seeks to contribute to the sustainable development of society through all global activities. The company's mission is to provide unique and innovative automotive products and services that deliver superior values to all stakeholders in alliance with Renault.

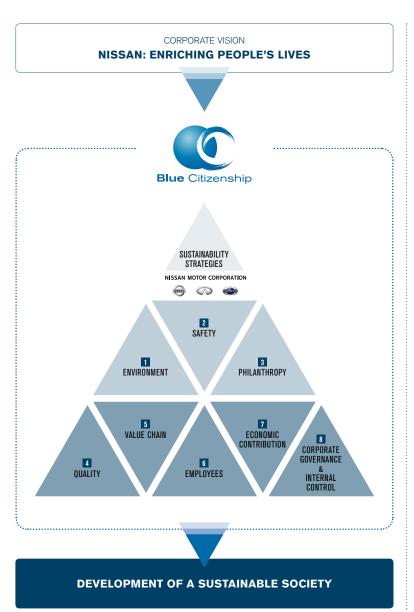
As a leading global automaker, Nissan also seeks to contribute solutions to humanity. The company is committed to all stakeholders—including customers, shareholders, employees and the communities where it does business—in delivering engaging, valuable and sustainable mobility for all. Through its business activities, Nissan aims not only to create economic value but also to actively contribute to the sustainable development of society.

Corporate Vision	Nissan: Enriching People's Lives				
Corporate Mission	Nissan provides unique and innovative automotive products and services that deliver superior measurable values to all stakeholders in alliance with Renault				
CSR Vision	To be one of the leading sustainable companies in the industry				

#### Nissan's Eight Sustainability Strategies

Nissan has defined eight sustainability strategies providing the foundation of its approach to CSR. As a leading automaker, it is uniquely positioned to pursue actions under the three strategies of Environment, Safety and Philanthropy. While helping to find solutions to sustainability issues in the automotive sector and contribute to the realization of a truly sustainable mobility society, Nissan aims to be an engine for CSR activities across the entire corporate sector. To remain trusted and needed by society, Nissan must also pursue the other five strategies—Quality, Value Chain, Employees, Economic Contribution and Corporate Governance & Internal Control. By steadily advancing these eight strategies and by being transparent on progress and challenges faced, Nissan is able to fulfill its responsibilities to society and build trust.

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#### 1 ENVIRONMENT

Nissan aims to lead a social transformation aimed at bringing about a sustainable mobility society by reducing vehicles' environmental impact throughout their lifecycle and expanding the lineup of effective green products and technologies.

#### <sup>2</sup> SAFETY

Nissan develops innovative technology and plays an active role in safety promotion, making the automobile society safer for all.

#### **3** PHILANTHROPY

Nissan carries out social contribution activities as a corporate citizen, focusing on the environment, education and humanitarian support.

#### **4** QUALITY

Nissan provides top-level quality in its products and services around the world.

#### **5 VALUE CHAIN**

Nissan promotes ethical, environmentally sound actions in all stages of the supply chain.

#### **6** EMPLOYEES

Nissan aims to form an attractive organization where diverse human resources can achieve personal growth through experience in global business.

#### 7 ECONOMIC CONTRIBUTION

Nissan aims for sustainable, profitable growth, contributing to economic development for all of society.

#### CORPORATE GOVERNANCE & INTERNAL CONTROL

Nissan aims to conduct fair, impartial and efficient business activities, having a high degree of transparency and consistency by adhering to the applicable laws and corporate rules.

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#### **Materiality Assessment**

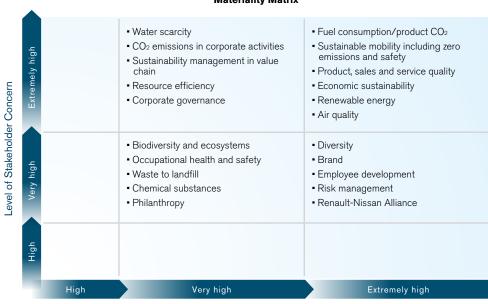
Nissan's strategy to realize its CSR vision comes from the highest levels of the company. Top management regularly discusses key societal themes to prioritize the issues that Nissan, across all Group companies, must address as a global corporation and automobile manufacturer. This process provides the basis for the development of a Materiality Matrix. It is built on an assessment of sustainability issues relevant to the business and analysis of the company's underlying opportunities and challenges.

Nissan updates the materiality assessment taking into consideration the latest trends including stakeholder concerns and interests and technology developments. The analysis follows a three-step process:

- Consider relevant sustainability issues based on CSR guidelines and trends. Also consider global current events inside and outside the automobile industry and issues identified in the matrix created in fiscal 2015 (see the diagram on the right).
- Analyze and categorize the selected issues into a draft matrix from the perspectives of the potential business impacts and level of stakeholder concern.
- Conduct interviews with both internal and external stakeholders. The feedback from the interviews is reflected in the materiality assessment. The results are reviewed by top management.

Nissan is incorporating the results of this material assessment into the development of future corporate strategies.

### **Materiality Matrix**



Potential Business Impacts (Importance to Nissan)

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Click here for more information on how Nissan is building tomorrow's sustainable mobility society.